



Mining to Mexico.

Trends and opportunities

The market

Government efforts over the past decade to reinvigorate the Mexican mining sector through liberalised mining laws and regulations and the privatisation of government-owned mines and processing facilities are bearing fruit.

Mexico now ranks in the top 12 of 18 different minerals. It ranks number one and two in the world's production of silver and celestite (strontium) and is second in world of fluorite and fourth in bismuth, arsenic and graphite production. Other metals and minerals mined include:

- ✍ copper
- ✍ lead
- ✍ zinc
- ✍ graphite
- ✍ mercury
- ✍ antimony
- ✍ cadmium
- ✍ sodium sulphate
- ✍ feldspar
- ✍ barite

About 60 per cent of the country's mining activities are open pit and 40 per cent are underground. With less than a quarter of the country's surface area surveyed, Mexico remains highly prospective. There have been a number of significant discoveries in recent years, including, gold, silver and uranium.

There are more than 10,000 mines in Mexico, operated by more than 2500 large, medium and small companies. Small companies are dedicated almost completely to extraction activities and only a few own processing plants.

Opportunities

Mexico has large tracts of highly prospective but under-explored land, which offer good opportunities for Australian exploration companies. There is also strong demand for productivity improving technology and equipment to improve the efficiency of existing mines and processing plants, many of which were once government-owned.

The need for environmental-friendly techniques has taken off in recent years, mainly due to the many free trade agreements that Mexico has signed.

Competitive environment

The Mexican mining industry is dominated by the following six consortiums, which carry out more than 80 per cent national production:

- ✍ **Grupo Mexico** – controls 100 per cent of the copper and molybdenum markets and 90 per cent of the copper blister concentrate market. The company also owns the US-based Asarco and Southern Peru Copper
- ✍ **Industrias Peñoles** – controls around 90 per cent of Mexico's gold and silver market and around 70 per cent of the zinc market
- ✍ **Compañía Minera Autlan** – controls most of the country's iron alloy production, 78 per cent of iron alloys
- ✍ **Empresas Frisco** – leader in lead production
- ✍ **Grupo Acerero del Norte** – owns large deposits of iron and steel minerals as well as coking and thermal coal deposits
- ✍ **SanLuis Corporacion** – leading gold and silver producer, recently acquired by Canadian Wheaton River and now operating as LuisMin Corporacion

More information

For further information please contact Austrade on 13 28 78 or email info@austrade.gov.au

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